

EXHIBIT 4

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UNITED STATES DISTRICT COURT

WESTERN DISTRICT OF NEW YORK

- - - - - X 24-CV-0040
CONSUMER FINANCIAL
PROTECTION BUREAU ET AL,
Plaintiff

 Vs. Buffalo, New York
STRATFS, LLC (f/k/a STRATEGIC
FINANCIAL SOLUTIONS LLC et al January 24, 2025
Defendants

STRATEGIC ESOP, et al
Relief Defendants
- - - - - X

TRANSCRIPT OF EVIDENTIARY HEARING
BEFORE THE HONORABLE MICHAEL J. ROEMER
UNITED STATES MAGISTRATE JUDGE

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W I T N E S S E S

Name	Examined By	Page
Cameron Christo	Mr. Desai (DX)	6
	Mr. McNamara (DX)	52

1 THE CLERK: United States District Court for
2 the Western District of New York is now in session.
3 The Honorable Michael J. Roemer residing. We are here
4 on the matter of Consumer Financial Protection Bureau
5 et al. Versus Strategic case number 24-CV-40 for
6 continuation of an evidentiary hearing. Counsel,
7 please state your name and who you represent. We'll
8 start with plaintiff's front table.

9 MR. SANDERS: Morning, Judge. Joe Sanders
10 on behalf of the CFPB.

11 MS. RADOS: Good morning, Your Honor.
12 Assistant Attorney General Genevieve Rados on behalf
13 of the People of the State of New York.

14 MR. DESAI: Morning, Your Honor. Akash
15 Desai on behalf of the CFPB.

16 MR. SMITH: Morning, Your Honor. Logan
17 Smith on behalf of the receiver.

18 MR. MCNAMARA: Good morning, Your Honor.
19 Tom McNamara on behalf of the receiver.

20 MS. BUCHKO: Morning, Your Honor. Vanessa
21 Buchko from the CFPB.

22 MS. CABANEZ: Good morning, Your Honor.
23 Nicole Cabanez from the CFPB.

24 MS. DONAGHY: Good morning, Your Honor.
25 Mary Ann Donaghy for the State of Delaware.

1 MR. ROMANOFF: Good morning, Your Honor.

2 Evan Romanoff for the State of Minnesota.

3 MR. PERSONIUS: Good morning, Judge. Rodney
4 Personius for Lit Def Stategy.

5 MR. HOOVER: Tim Hoover and Spencer Durland
6 with Mr. Christo from Fidelis.

7 MR. CONNORS: Terry Connors for the
8 individual law firms. Just under the wire.

9 THE COURT: Were you at the rally? The
10 Bills rally?

11 MR. CONNORS: I take the fifth.

12 THE COURT: All right. Are we ready to go?

13 MR. SANDERS: We're ready, Judge.

14 THE COURT: Do you want to call your first
15 witness?

16 MR. SANDERS: Plaintiffs call Cameron
17 Christo an adverse witness.

18 THE CLERK: If I could just swear you in
19 please raise your right hand.

20 C A M E R O N C H R I S T O, after having
21 been duly called and sworn, testified as follows:

22 THE CLERK: Thank you. Please have a seat.
23 When seated, please state your name and spell it for
24 the record. Thank you.

25 MR. HOOVER: Judge, I should have asked but

1 okay to be up here?

2 THE COURT: Yes.

3 MR. HOOVER: Thank you.

4 THE COURT: Do you want to pull a chair up?

5 MR. HOOVER: Thank you.

6 THE COURT: Whatever you want to do.

7 THE WITNESS: Cameron Christo, C-A-M-E-R-O-N
8 C-H-R-I-S-T-O.

9 DIRECT EXAMINATION BY MR. DESAI:

10 Q. Well, Good morning, Mr. Christo. My name is
11 Akash Desai. I'm an attorney with the CFPB. Mr.
12 Christo, you formed Fidelis legal support services;
13 correct?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. You currently hold the title chief executive of
18 Fidelis; is that correct?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. You created Fidelis on January 25, 2021; correct?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. Fidelis is a limited liability company?

2 A. On the advice of my counsel, I invoke the fifth
3 amendment privilege and respectfully decline to answer
4 the question.

5 Q. And Fidelis provides litigation support services;
6 correct?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. Mr. Christo, you created the Bush Lake Trust; is
11 that correct?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. Mr. Christo, for Fidelis Legal Support, I'm going
16 to refer to that here on forward as Fidelis, and for
17 Bush Lake Trust, I'm going to refer to that entity as
18 Bush Lake from here on out. Mr. Christo, Bush Lake is
19 registered in Nevada; correct?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. And Timothy Miller is a trustee of Bush Lake; is
24 that correct?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. Your descendant -- your children and their
4 descendants were the beneficiaries of the Bush Lake
5 Trust; is that correct?

6 A. On the advice of my counsel, I invoke the fifth
7 amendment privilege and respectfully decline to answer
8 the question.

9 Q. Fidelis's corporate documents previously listed
10 you as the owner of the company; is that correct?

11 A. On the advice of my counsel, I invoke the fifth
12 amendment privilege and respectfully decline to answer
13 the question.

14 Q. And you transferred all of your ownership stake
15 from Fidelis to Bush Lake; is that correct?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. Bush Lake is presently the sole owner of Fidelis;
20 is that correct, Mr. Christo?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. Okay. Mr. Christo, I'm going to ask you some
25 questions about Fidelis's work flow. Fidelis provides

1 litigation support services to debt settlement law
2 firms that report consumers for credit law suits; is
3 that correct?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. And many of these debt settlement law firms offer
8 services as part of a debt relief program promoted by
9 Strat FS; is that correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. Mr. Christo, I'm going to refer to the debt
14 settlement law firms from here on out as the
15 intervener law firms, and I'm going to refer to Strat
16 FS as SFS from here on out. Mr. Christo, you know
17 that SFS is a debt relief company; correct?

18 A. On the advice of my counsel, I invoke the fifth
19 amendment privilege and respectfully decline to answer
20 the question.

21 Q. And after consumers are sued by a creditor, SFS
22 sends the litigation file to a litigation support
23 company; is that correct?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. In many cases after consumers have been sued by a
3 creditor, SFS sends their litigation files to Fidelis;
4 is that correct?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. And after Fidelis receives a litigation file,
9 Fidelis employees review the file and compile
10 documents; is that correct?

11 A. On the advice of my counsel, I invoke the fifth
12 amendment privilege and respectfully decline to answer
13 the question.

14 Q. After reviewing the litigation file, Fidelis
15 employees sign a file to a litigation attorney;
16 correct?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 Q. And the litigation attorneys I just referenced
21 are sometimes also referred to as 1099 attorneys; is
22 that right?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. And these attorneys are referred to as 1099
2 attorneys because they're independent contractors;
3 correct?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. And the litigation attorneys I just referenced
8 are also sometimes called local counsel or appearance
9 attorneys; is that correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. From this point forward, Mr. Christo, when I
14 refer to those attorneys, I'm going to use the term
15 litigation attorney. Mr. Christo, the litigation
16 attorneys acted on behalf of the intervener law firms;
17 is that correct?

18 A. On the advice of my counsel, I invoke the fifth
19 amendment privilege and respectfully decline to answer
20 the question.

21 Q. And Fidelis managed communications between the
22 litigation attorney and SFS; is that correct?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. Litigation attorneys are only supposed to
2 communicate with SFS through Fidelis; is that correct?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. And Fidelis helped facilitate settlements in
7 creditor lawsuits; is that right?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. Now, Mr. Christo, prior to the entry of the
12 temporary restraining order in this case you knew that
13 consumers paid fees to the intervener law firms
14 reporting to represent them before the firms reached a
15 settlement with a creditor; is that correct?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. And before the entry of a temporary restraining
20 order in this case, you knew that those consumer fees
21 were placed in an escrow account; is that correct?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. And prior to the entry of the temporary

1 restraining order in this case, you knew that the
2 intervener law firms representing consumers were
3 collecting fees before consumers started making
4 payments on settlements; is that correct?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. And prior to the entry of a temporary restraining
9 order in this case, Fidelis knew that the intervener
10 law firms were collecting fees from consumers before
11 they reached settlements from creditors; is that
12 correct?

13 A. On the advice of my counsel, I invoke the fifth
14 amendment privilege and respectfully decline to answer
15 the question.

16 Q. SFS is one of the debt relief companies to whom
17 Fidelis sends its settlement for processing; is that
18 right?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. Indeed, the vast majority of settlements are sent
23 by Fidelis to SFS for processing; is that correct?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. And Fidelis provided substantive settlement
3 recommendations to litigation counsel; is that
4 correct, Mr. Christo?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. And Fidelis transmitted settlement proposals; is
9 that correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. Fidelis handled litigation -- sorry. Let me
14 rephrase that question.

15 Fidelis handled complaints about litigation
16 counsel; is that correct?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 Q. For example, Fidelis handled complaints from
21 consumers about litigation counsels not returning
22 their calls; is that correct?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. Fidelis handled complaints about the SFS debt
2 relief program operated by SFS; is that correct?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. Fidelis also handled complaints from consumers
7 believing that they had been misled by SFS regarding
8 the cost of the debt relief program; is that correct?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. And Fidelis also handled complaints from
13 consumers upset that there were insufficient funds in
14 their escrow accounts to pay for their settlements
15 despite the amount of fees they had already sent to
16 participate in the SFS debt relief program; is that
17 correct, Mr. Christo?

18 A. On the advice of my counsel, I invoke the fifth
19 amendment privilege and respectfully decline to answer
20 the question.

21 Q. The intervener law firms retained Fidelis for the
22 litigation support services the company provides; is
23 that right, Mr. Christo?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. Fidelis does not enter into any written contracts
3 with the intervener law firms that retain its
4 services; correct?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. Fidelis helps the intervener law firms manage
9 their day-to-day business; is that correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. Indeed the intervener law firms themselves do not
14 appear in court to represent consumers, do they?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. And instead, any attorney that might appear on
19 behalf of the consumers reportedly represented by the
20 intervener law firms is a litigation attorney that is
21 assigned by Fidelis; is that correct?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. You are familiar with Lit Def Strategies;

1 correct?

2 A. On the advice of my counsel, I invoke the fifth
3 amendment privilege and respectfully decline to answer
4 the question.

5 Q. From this point forward, I'll refer to Lit Def
6 Services LLC as Lit Def. Mr. Christo, you are also
7 familiar with a person named Jason Blust; right?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. Jason Blust owned Lit Def; is that correct?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. Before the entry of the temporary restraining
16 order in this case, Lit Def provided litigation
17 support services to intervener law firms; is that
18 correct?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. Fidelis is the successor to Lit Def; isn't that
23 true?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. Fidelis performs the same substantive litigation
3 support services for intervener law firms that Lit Def
4 previously provided; is that correct?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. Fidelis employs individuals who previously worked
9 for Lit Def; is that correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. Some Fidelis employees worked for Lit Def and
14 Fidelis concurrently; is that true, Mr. Christo?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. Mr. Christo, employees that concurrently worked
19 at Lit Def and Fidelis toggled between profiles within
20 the same software application to differentiate their
21 Lit Def work and their Fidelis work; is that correct?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. Indeed, employees that concurrently worked at Lit

1 Def and Fidelis used the same software; is that right?

2 A. On the advice of my counsel, I invoke the fifth
3 amendment privilege and respectfully decline to answer
4 the question.

5 Q. On April 5, 2021, Mr. Christo, you declined to
6 schedule a call with Leadtrack with Ms. Gallagher
7 after she told you that she and Jason Blust were
8 already scheduled to have an earlier call with
9 Leadtrack; is that correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. In fact, in declining to have that call, you
14 remarked that it was unnecessary because it would
15 be -- because it would amount to a "duplication of
16 effort"; is that correct?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 Q. Employees performed work for both Lit Def and
21 Fidelis on the same computer equipment; is that
22 correct, Mr. Christo?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. After Fidelis was created, Jason Blust began
2 moving Lit Def's intervener law firm client roster to
3 Fidelis; is that correct?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. Jason Blust controlled which intervener law firms
8 migrated to Fidelis; is that correct?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. And Jason Blust controlled when certain
13 intervener law firms would migrate to Fidelis; is that
14 correct?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. Fidelis did not compete with Lit Def for
19 potential debt settlement law firm clients; did it?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. And you actually did not bring in any new law
24 firm clients to Fidelis; correct?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. All of Fidelis's law firm clients are those are
4 controlled are Jason Blust; is that correct?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. And Jason Blust determined that those law firms
9 would retain Fidelis to handle work that was
10 previously handled by Lit Def; is that correct?

11 A. On the advice of my counsel, I invoke the fifth
12 amendment privilege and respectfully decline to answer
13 the question.

14 Q. Mr. Christo, Fidelis shared employees with Lit
15 Def; is that correct?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. Lisette Alvarez provided human resource services
20 to Lit Def and Fidelis; is that correct?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. Fidelis used essentially the same employee
25 handbook as Lit Def; correct?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. Mr. Christo, Shirley Saavedra is a current
5 Fidelis employee; is that correct?

6 A. On the advice of my counsel, I invoke the fifth
7 amendment privilege and respectfully decline to answer
8 the question.

9 Q. Prior to working at Fidelis, Ms. Saavedra worked
10 at Lit Def; is that correct?

11 A. On the advice of my counsel, I invoke the fifth
12 amendment privilege and respectfully decline to answer
13 the question.

14 Q. And after she joined Fidelis, Ms. Saavedra has
15 worked concurrently at Fidelis and Lit Def through at
16 least the entry of the temporary restraining order in
17 this case; is that correct?

18 A. On the advice of my counsel, I invoke the fifth
19 amendment privilege and respectfully decline to answer
20 the question.

21 Q. When Ms. Saavedra worked at Lit Def, she
22 performed the same litigation support services that
23 she performed at Fidelis; is that correct?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. Jean Comis is a current Fidelis employee; is that
3 true?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. And before working at Fidelis, Ms. Comis worked
8 at Lit Def; is that correct?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. After she joined Fidelis, Ms. Comis worked
13 concurrently at Fidelis and Lit Def for at least the
14 entry of the temporary restraining order in this case;
15 correct?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. When Ms. Comis worked at Lit Def, she performed
20 the same litigation support tasks that she performed
21 at Fidelis; is that correct?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. Jennifer Moye is a current Fidelis employee; is

1 that correct?

2 A. On the advice of my counsel, I invoke the fifth
3 amendment privilege and respectfully decline to answer
4 the question.

5 Q. Before working at Fidelis, Ms. Moyer worked at Lit
6 Def; is that correct?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. And after she joined Fidelis, Ms. Moyer has worked
11 con currently at Fidelis and Lit Def for at least the
12 entry of the temporary restraining order in this case;
13 is that correct?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. When Ms. Moyer worked at Lit Def, she performed
18 the same litigation support tasks that she performed
19 at Fidelis; is that correct?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. Peggy Slivka is a current Fidelis employee; is
24 that correct?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. Before working at Fidelis, Ms. Slivka worked at
4 Lit Def; is that right?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. After joining Fidelis, Ms. Slivka worked
9 concurrently at Fidelis and Lit Def for at least the
10 entry of the temporary restraining order in this case;
11 is that correct?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. When Ms. Slivka worked at Lit Def, she performed
16 the same litigation support tasks as she performed at
17 Fidelis; is that right, Mr. Christo?

18 A. On the advice of my counsel, I invoke the fifth
19 amendment privilege and respectfully decline to answer
20 the question.

21 Q. Katherine Rosenberg is a former Fidelis employee;
22 is that correct?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. Before working at Fidelis, Ms. Rosenberg worked
2 at Lit Def; is that correct?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. And after joining Fidelis, Ms. Rosenberg worked
7 con currently at Fidelis and Lit Def; is that right?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. When Ms. Rosenberg worked at Lit Def, she
12 performed the same litigation support tasks that she
13 performs at Fidelis; is that correct?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. Jason Blust controlled whether former Lit Def
18 employees worked at Fidelis; is that right, Mr.
19 Christo?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. And Jason Blust controlled when former Lit Def
24 employees would transition over to become Fidelis
25 employees; is that right?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. And Fidelis employees used Lit Def email accounts
5 to perform the same litigation support functions that
6 they completed for Fidelis; is that correct?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. After Fidelis began servicing intervener law
11 firms that previously retained Lit Def, attorneys from
12 those law firms continued to send emails to Fidelis
13 employees at their Lit Def email addresses; is that
14 correct?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. Michelle Hinds, I'm going to refer to her as
19 Michelle Gallagher, was previously a manager at
20 Fidelis; is that correct?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. Before she worked at Fidelis, Ms. Gallagher
25 worked at Lit Def; is that right?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. And after joining Fidelis, Ms. Gallagher worked
5 concurrently at Fidelis and Lit Def through at least
6 the entry of the temporary restraining order in this
7 case; is that correct, Mr. Christo?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. When Ms. Gallagher worked at Lit Def, she
12 performed the same litigation support tasks that she
13 performed at Fidelis; is that correct?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. While at Lit Def, Ms. Gallagher reported to Mr.
18 Blust; is that right?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. Ms. Gallagher over saw Fidelis's day-to-day
23 litigation support operations; is that correct, Mr.
24 Christo?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. In fact, Ms. Gallagher over awe day-to-day
4 litigation support operations until she recently left
5 Fidelis; is that correct, Mr. Christo?

6 A. On the advice of my counsel, I invoke the fifth
7 amendment privilege and respectfully decline to answer
8 the question.

9 Q. You relied on Ms. Gallagher to operate Fidelis's
10 litigation support operations; correct?

11 A. On the advice of my counsel, I invoke the fifth
12 amendment privilege and respectfully decline to answer
13 the question.

14 Q. When Ms. Gallagher made recommendations to you
15 about Fidelis's litigation support operations you
16 generally followed her recommendations; correct?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 Q. And Mr. Christo, you don't devote your entire
21 working day to Fidelis matters; is that right?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. You owned various companies aside from Fidelis;

1 is that correct?

2 A. On the advice of my counsel, I invoke the fifth
3 amendment privilege and respectfully decline to answer
4 the question.

5 Q. And during the working day, you handle matters
6 pertaining to their various companies; is that right?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. In fact, you were not involved in overseeing
11 Fidelis's day-to-day litigation support operations; is
12 that correct?

13 A. On the advice of my counsel, I invoke the fifth
14 amendment privilege and respectfully decline to answer
15 the question.

16 Q. You did not provide any substantive directions as
17 to how Fidelis should conduct its litigation support
18 entries; is that correct?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. You did not direct how Fidelis employees should
23 review incoming litigation files; correct?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. You did not direct who Fidelis should hire as
3 litigation attorneys to handle a client file; correct?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. You did not respond to complaints Fidelis
8 received about issued attorneys; correct?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. You did not respond to complaints Fidelis
13 received about the SFS debt relief program; is that
14 correct?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. Mr. Christo, you were not made aware of any
19 complaints Fidelis received about litigation
20 attorneys; correct?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. You were not made aware of any complaints Fidelis
25 received about SFS; is that correct?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. You did not provide any direction as to how
5 Fidelis employees should respond to complaints the
6 company received about litigation attorneys; is that
7 correct?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. You did not provide any direction as to how
12 Fidelis employees should respond to complaints the
13 company received about the SFS debt relief program;
14 did you?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. You did not provide any direction as to how
19 Fidelis employees should respond to any recommendation
20 or litigation counsel regarding a creditor lawsuit;
21 correct?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. Ms. Gallagher communicated with Fidelis's

1 intervener law firm clients on behalf of Fidelis; is
2 that correct?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. And you weren't included in those communications
7 with Fidelis's law firm clients; were you?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. Ms. Gallagher communicated with SFS on behalf of
12 Fidelis; is that correct?

13 A. On the advice of my counsel, I invoke the fifth
14 amendment privilege and respectfully decline to answer
15 the question.

16 Q. Ms. Gallagher had regularly scheduled calls with
17 SFS; is that correct?

18 A. On the advice of my counsel, I invoke the fifth
19 amendment privilege and respectfully decline to answer
20 the question.

21 Q. And you didn't join those calls; is that right?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. You left communications between Fidelis and SFS

1 to Ms. Gallagher Jason Blust; is that correct?

2 A. On the advice of my counsel, I invoke the fifth
3 amendment privilege and respectfully decline to answer
4 the question.

5 Q. You deferred to Ms. Gallagher's decisions
6 concerning Fidelis's litigation support operations; is
7 that correct?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. Ms. Gallagher sought Jason Blust's approval on
12 matters relating to Fidelis's litigation support
13 operations; is that correct?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. Jason Blust directed Ms. Gallagher on how to
18 handle matters relating to Fidelis's litigation
19 support operations; is that correct?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. And Ms. Gallagher did not seek your approval on
24 matters relating to Fidelis litigation support
25 operations; is that correct, Mr. Christo?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. And you defer to Jason Blust's directions on
5 matters relating to Fidelis's litigation support
6 operations; is that correct?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. In the past, Mr. Christo, Michelle Gallagher's
11 communicated with you about Charles Connors; is that
12 correct?

13 A. On the advice of my counsel, I invoke the fifth
14 amendment privilege and respectfully decline to answer
15 the question.

16 Q. Charles Connors works for a software company
17 called National Data Systems; is that correct?

18 A. On the advice of my counsel, I invoke the fifth
19 amendment privilege and respectfully decline to answer
20 the question.

21 Q. And National Data Systems maintains a software
22 called Leadtrack; is that correct?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. Lit Def used Leadtrack; is that right?

2 A. On the advice of my counsel, I invoke the fifth
3 amendment privilege and respectfully decline to answer
4 the question.

5 Q. And Fidelis uses Leadtrack; is that correct?

6 A. On the advice of my counsel, I invoke the fifth
7 amendment privilege and respectfully decline to answer
8 the question.

9 Q. In April of 2021, Ms. Gallagher told you that
10 Jason Blust wanted to conceal Fidelis from Charles
11 Connors; is that correct?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. In fact, when you asked to be included on a call
16 with Mr. Blust, Ms. Gallagher and Mr. Connors, Ms.
17 Gallagher texted you that "Charles doesn't know about
18 Fidelis because JB doesn't want him to"; is that
19 correct?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. And when Ms. Gallagher used the initials JB she
24 was referring to Jason Blust; is that right?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. And in that text chain, Ms. Gallagher further
4 texted you that the messaging Jason Blust was going to
5 provide to Charles Connors was that "we want to create
6 two separate paralegal teams"; correct?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. And that would be two separate paralegal teams
11 within Lit Def; is that correct?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. And after receiving that information, Mr.
16 Christo, you texted Ms. Gallagher back to inform her
17 that you would not attend the call with Mr. Connors
18 after all; correct?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. Jason Blust made compensation decisions at
23 Fidelis; is that correct?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. Jason Blust set annual bonuses for Fidelis
3 employees in 2023; is that correct?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. Jason Blust decided whether to hire additional
8 personnel at Fidelis; is that correct?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. Jason Blust controlled staffing levels at
13 Fidelis; is that correct?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. On January 3, 2022, you asked Ms. Gallagher how
18 many people would be needed for Fidelis to staff
19 incoming intervener law firm clients; is that correct?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. In fact, you not only asked Ms. Gallagher to give
24 you the number of people needed but you also asked you
25 to provide you with their names so that you could move

1 them over to Fidelis's payroll on February 1, 2022; is
2 that correct?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. Now, those employees would be coming to Fidelis
7 from Lit Def; is that correct?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. And the intervener law firms were also coming
12 from Fidelis to Lit Def; is that correct?

13 A. On the advice of my counsel, I invoke the fifth
14 amendment privilege and respectfully decline to answer
15 the question.

16 Q. Fidelis did not get those law firms business
17 through any client development of your own; right, Mr.
18 Christo?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. You did not engage in any business development
23 for Fidelis; did you, Mr. Christo?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. Mr. Blust decided to move those law firms'
3 business over to Fidelis; is that right?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. Now, when Ms. Gallagher responded to your
8 question on January 3, 2022 about staffing this new
9 business, she told you that she had no idea how to do
10 so "without running this down with JB"; is that
11 correct?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. And JB referred to Jason Blust; is that correct?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. Jason Blust directed that Ms. Gallagher work at
20 Fidelis; is that right?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. Jason Blust controls Fidelis; is that correct?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. Indeed, you are the head of Fidelis in name only;
4 is that correct, Mr. Christo?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. The only work you did for Fidelis was routine
9 administrative tasks designed to uphold the appearance
10 that Fidelis was a company independent from Lit Def;
11 is that right?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. But Fidelis is in fact Lit Def; right. Mr.
16 Christo?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 Q. Mr. Christo, you assert in paragraph 36 of your
21 March 4, 2024 declaration in this case that in the
22 fall of 2021 you were hired by SFS "to vet a new
23 software program"; is that correct?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. That statement wasn't true though, was it?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. There is no executed written agreement describing
7 the terms of software consulting services you were to
8 provide to SFS; is that correct?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. There's no written statement of work describing
13 the services you intended to provide SFS; is that
14 correct?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. There is no written work product documenting any
19 of the work you provided to SFS is that correct?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. There is no written report you provided SFS upon
24 the completion of your work documenting any
25 recommendations you gave SFS; is that correct?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. There's no written report that you provided SFS
5 upon completion of your work; is that correct, Mr.
6 Christo?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. You were paid in total \$750,000 from SFS to
11 perform these reported technology consulting services;
12 is that correct?

13 A. On the advice of my counsel, I invoke the fifth
14 amendment privilege and respectfully decline to answer
15 the question.

16 Q. But the \$750,000 you received from SFS was not in
17 fact for any technology consulting services you
18 provided; correct?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. Mr. Christo, Fidelis was operating as a business
23 in January of 2024; is that correct?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. And it was operating as a business in February of
3 2024; is that correct?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. Fidelis was operating as a business in March of
8 2024; is that correct?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. Fidelis was operating as a business in April of
13 2024; correct?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. Fidelis continued to operate as a business
18 throughout 2024; is that correct, Mr. Christo?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. Fidelis is still operating as a business; is that
23 correct?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. Fidelis continues to offer litigation support
3 services and creditor litigation; is that correct?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. Fidelis continues to pay its employees; correct?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. Fidelis continues to pay its vendors; correct?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. And it continues to pay its independent
16 contractors; is that right?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 Q. Fidelis continues to build its law firm clients;
21 is that correct?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. Fidelis helped its law firm clients convert

1 consumers to a contingent fee model representation; is
2 that correct, Mr. Christo?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. And some consumers have converted to a contingent
7 fee model representation; is that correct, Mr.
8 Christo?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. And those law firms that have successfully
13 converted consumers to a contingency fee model of
14 representation are still using Fidelis for litigation
15 support services; is that correct?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. Previously, many of Fidelis's law firm clients
20 charge consumers up front fees before settling any
21 debt; correct?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. In May of 2024, Mr. Christo, you petitioned a

1 state court in New York for a certain by copy of your
2 grandmother's birth certificate; is that correct?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. You sought your grandmother's birth certificate
7 because you were filing an application to obtain
8 Italian citizenship; is that correct?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. Indeed you used the services of a company called
13 Global Residency and Citizenship Group to obtain
14 Italian citizenship; is that correct?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. Global Residency and Citizenship Group helps its
19 clients secure secondary citizenship as a means to
20 protect their financial security amidst changing
21 conditions in their own country; is that correct?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. And Global Residency and Citizenship Group helps

1 its clients to protect their citizenship as a means to
2 protect their wealth; is that correct, Mr. Christo?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. Mr. Christo, in 2022 and 2023, you transferred
7 assets from Bush Lake to the Viteras Capital; right?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. And in 2023, you transferred assets from Bush
12 Lake Trust to SRG Main Ranch LLC Properties; is that
13 correct?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. In 2023, you transferred assets from Bush Lake
18 Trust to Fidelis; right?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. And the transfer to Fidelis was to pay off a line
23 of credit; is that correct?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. Between 2001 and 2023, you transferred assets
3 from Bush Lake Trust to other entities; right?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. Mr. Christo, do you have any assets in foreign
8 bank accounts?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. Since January 2024, have you moved assets from
13 U.S. accounts to foreign bank accounts?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. Are you currently in the process of moving assets
18 from U.S. accounts to foreign bank accounts?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. Do you intend in the future to move assets from
23 U.S. accounts to foreign accounts?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. Since 2021, you and the Bush Lake Trust have
3 received significant sums of money from Fidelis's
4 intervener law firm clients; is that correct?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. From December 2021 to October 2023, law firms
9 associated with SFS transferred at least \$22 million
10 to Fidelis; is that correct?

11 A. On the advice of my counsel, I invoke the fifth
12 amendment privilege and respectfully decline to answer
13 the question.

14 Q. Between May 2021 and October 2023, Fidelis
15 transferred more than three and a half million dollars
16 to the Bush Lake Trust; is that correct?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 Q. That \$3.5 million is money that was paid to
21 Fidelis by law firms associated with SFS; is that
22 correct?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. Between May 2021 and September 2023, Fidelis
2 transferred more than \$14 million to you personally;
3 is that correct?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. That \$14 million is money that was paid to
8 Fidelis by law firms associated with SFS; is that
9 correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. Between May 2023 and September 2023, Fidelis
14 transferred at least 7 million dollars to Viteras
15 Capital LLC; is that correct?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. That \$7 million was money paid to law firms
20 associated with SFS; is that correct?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. You controlled the Viteras Capital LLC including
25 its bank accounts; is that correct?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. Between March 2023 and October 2023, Fidelis
5 transferred at least \$550,000 to BBC Group LLC; is
6 that correct?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. That \$550,000 is money that was paid to Fidelis
11 by law firms associated with SFS; is that correct?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. And you control BBC Group LLC including its bank
16 accounts; is that correct?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 MR. DESAI: I have no further questions.
21 Thank you.

22 THE COURT: Mr. McNamara?

23 MR. MCNAMARA: Yes, Your Honor.

24 DIRECT EXAMINATION BY MR. MCNAMARA:

25 Q. Good morning, Mr. Christo. My name is Tom

1 McNamara. I'm the receiver in this case, and I'm
2 going to ask you questions related to Fidelis's motion
3 challenging the receivers determination that Fidelis
4 is a receivership defendant and the related order to
5 show cause for contempt against defendants Jason Blust
6 and Lit Def. Mr. Christo, you filed in corporation
7 documents for Fidelis legal support services Fidelis
8 in 2021; correct?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. And Fidelis provides the same services that Lit
13 Def Strategies LLC or Lit Def provides; correct?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. And you knew Jason Blust owned Lit Def; right?

18 A. On the advice of my counsel, I invoke the fifth
19 amendment privilege and respectfully decline to answer
20 the question.

21 Q. You have contended sort of that Lit Def and
22 Fidelis were competitors in the legal services space;
23 isn't that true?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. In fact, sir, they are not competitors. You
3 agreed with Mr. Blust to establish Fidelis for the
4 express purpose of replacing Lit Def as the service
5 company which worked with debt relief law firms which
6 Mr. Blust controlled; isn't that true?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. And the reason Mr. Blust asked you to establish
11 Fidelis in your name as a replacement for Lit Def is
12 because Blust was personally sued, his law firm was
13 sued, Lit Def was sued, Relialit was sued numerous
14 times in 2019 and 2020; correct?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. Mr. Blust wanted to get the legal services
19 company out of his name and you agreed to be the owner
20 on paper of Fidelis; right?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. You agreed to be the front owner for Fidelis;
25 right?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. And in 2021 and 2022, after you established
5 Fidelis as the front owner, Mr. Blust began to
6 transfer the legal work that was previously at Lit Def
7 for the law firms he controlled over to Fidelis isn't
8 that true?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. In 2021, Blust directed the Turnbull,
13 T-U-R-N-B-U-L-L, law firms which he controlled to
14 begin using Fidelis; right?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. In January of '22, plans were made to transfer
19 the Strategic related law firm debt relief law firms
20 to Fidelis; correct?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. And it was Mr. Blust who identified which law
25 firms would be transferred from Lit Def to Fidelis in

1 January of '22; correct?

2 A. On the advice of my counsel, I invoke the fifth
3 amendment privilege and respectfully decline to answer
4 the question.

5 Q. And he instructed you and defendant Michelle
6 Hinds Gallagher while referred to as Hinds which of
7 these law firms would terminate with Lit Def and begin
8 with Fidelis; didn't he?

9 A. On the advice of my counsel, I invoke the fifth
10 amendment privilege and respectfully decline to answer
11 the question.

12 Q. And at the same time, January of 2022, Blust
13 ordered Hinds to begin assigning Lit Def employees to
14 Fidelis work to assist with the Strategic related law
15 firms Blust had migrated to Fidelis beginning in
16 February of 2022; isn't that true?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 Q. And he coordinated with Hinds and his payroll
21 company to put these Lit Def employees on Fidelis
22 payroll as well; didn't he?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. And you weren't consulted or involved in any of
2 these actions with which Mr. Blust ordered; were you?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. And after he began to transfer his law firm
7 clients which he controlled and the employees from Lit
8 Def to Fidelis, he continued to monitor and control
9 Fidelis through weekly production reports which were
10 known as file submission reports which Hinds provided
11 Blust every week and which included productivity
12 metrics for Fidelis employees; isn't that right?

13 A. On the advice of my counsel, I invoke the fifth
14 amendment privilege and respectfully decline to answer
15 the question.

16 Q. And Blust continued to receive and review these
17 Fidelis productivity reports and make operational
18 decisions for Fidelis until at least January of 2024
19 when this lawsuit was filed; isn't that true?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. And you, sir, were not provided the weekly
24 productivity reports that Ms. Hinds generated for you?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. And based on these productivity reports and the
4 metrics contained therein, Blust periodically directed
5 Hinds to transfer employees from Lit Def to Fidelis
6 without any consultation or involvement of you; isn't
7 that true?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. And Blust also set the bonuses for Fidelis
12 employees in December of '22 and December of '23 just
13 weeks before this lawsuit was filed and instructed
14 Hinds to inform the employees of those bonuses;
15 correct?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. For example, in December of 2022, Blust
20 instructed Hinds to pay Hayfa Zayed then a Fidelis
21 employee and Client First Bankruptcy law firm employee
22 a bonus of \$2,000 from Fidelis; correct?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. And Blust set these bonuses and asked Hinds to
2 inform the employees of these bonuses for Fidelis
3 employees without any consultation or involvement of
4 you; correct?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. And indeed, sir, to the extent you approved these
9 2022 and 2023 bonuses for Fidelis employees as you
10 claim that there were declarations, that approval
11 consists only of authorizing payments using Sure
12 Payroll after Blust had already determined the amounts
13 and Hinds had already told the employees of their
14 bonuses; isn't that correct?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. Similarly, Blust increased the salaries for
19 Fidelis employees without any of your involvement;
20 correct?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. Indeed, sir, at the outset of 2021 when you
25 established Fidelis, you and Blust had agreed to move

1 all of the law firm clients that Mr. Blust controlled
2 and the Lit Def employees to Fidelis; isn't that true?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. I'm going to talk for a minute about the transfer
7 of assets from Lit Def to Fidelis. Blust or Lit Def
8 provided all the computers used by the employees at
9 Fidelis; correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. You also had Lit Def transfer the software, the
14 interface to Strategic and the law firms from Lit Def
15 to Fidelis employees; correct?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. So Blust provided all of Fidelis's clients;
20 correct?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. Blust through Lit Def also provided most of
25 Fidelis's employees; correct?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. And Blust through Lit Def provided the
5 infrastructure for Fidelis to operate; isn't that
6 true?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. And Blust and Lit Def also provided the funds to
11 Fidelis directly and indirectly; correct?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. I want to talk for a minute about the \$750,000
16 paid by Strategic to Fidelis that you provided
17 declaration statements twice in your declarations.
18 First, you're aware that Christopher Kesterson of K2
19 Financial Management is Blust's long time accountant;
20 correct?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. Mr. Kesterson is not your accountant; correct?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. And he is not Fidelis's accountant; correct?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. At Blust's direction in October of 2021,
8 Kesterson instructed Strategic to pay \$750,000 which
9 Strategic owed to Lit Def to Fidelis; isn't that true?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. And then you for the next number of months
14 submitted Fidelis invoices to Strategic totaling
15 \$750,000, and Strategic paid Fidelis in full; correct?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. In your March for 2024 sworn declaration to this
20 Court which is Docket 190-4 at Paragraph 36, you state
21 in Fall of 2021, Strategic Client Support LLC hired me
22 to vet a new software platform. I was to determine
23 whether the software would integrate with existing
24 systems and ensure that it was stable, reliable and
25 functional. That was a lie; wasn't it, sir?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. And then you state in your second declaration,
5 your second sworn statement to this Court dated March
6 21, 2024, which is at Docket 233-1 at Paragraph 4, you
7 state -- or Paragraph 12, you state as follows.

8 Paragraphs 35 through 38 of my March 4
9 declaration fully address the work I performed vetting
10 software for Strategic Client Support LLC. I
11 performed that work myself and billed it through
12 Fidelis to fund Bush Lake Trust. My \$750,000 fee paid
13 in installments was compensation arranged between
14 myself and my client. Again, that sworn testimony to
15 this Court was false; wasn't it, sir?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. In fact, you were never hired by Strategic to
20 perform work vetting the software platform, were you?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. You had no written contract with Strategic
25 relating to this alleged vetting work for \$750,000,

1 did you?

2 A. On the advice of my counsel, I invoke the fifth
3 amendment privilege and respectfully decline to answer
4 the question.

5 Q. Nor did you have a scope of work for this alleged
6 vetting work; correct?

7 A. On the advice of my counsel, I invoke the fifth
8 amendment privilege and respectfully decline to answer
9 the question.

10 Q. And in fact, sir, you never performed any work
11 for Strategic in exchange for the \$750,000 that was
12 transferred to Fidelis; correct?

13 A. On the advice of my counsel, I invoke the fifth
14 amendment privilege and respectfully decline to answer
15 the question.

16 Q. Yeah. The only communications you ever had with
17 Strategic were the seven invoices you sent to
18 Strategic's accounting department every month;
19 correct?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. And it's true that you fully understand still
24 that at the time you received that money that that
25 \$750,000 being paid by Strategic to Fidelis was

1 actually owed to Blust or Lit Def at the time that you
2 received those payments; correct?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. And more importantly, sir, you knew the time you
7 offered testimony to this Court not once but twice
8 that the \$750,000 Strategic payment to Fidelis was
9 Blust's or Lit Def's funds; correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. I'm going to move on to Hayfa Zayed. Mr.
14 Christo, you stated in your declaration on March 4
15 that you hired Ms. Zayed and that she reports to you
16 and that she was not a Lit Def employee; correct?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 Q. What you failed to note in your declaration is
21 Zayed also reported to Blust during her time of
22 employment with Fidelis; didn't you?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. And you were aware, sir, at the time you
2 submitted that declaration Zayed had worked for Blust
3 at his law firm, Client First Bankruptcy; right?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. And you state in that same declaration on March 4
8 that Michelle Gallagher, Ms. Hinds, reports only to
9 you; correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. But you understood at the time you filed your
14 declaration Ms. Hinds was a long time employee of Mr.
15 Blust and was a front attorney in her own right;
16 correct?

17 A. On the advice of my counsel, I invoke the fifth
18 amendment privilege and respectfully decline to answer
19 the question.

20 Q. Sir, just to summarize, Blust owns or controls
21 all of Fidelis's law firm clients; correct?

22 A. On the advice of my counsel, I invoke the fifth
23 amendment privilege and respectfully decline to answer
24 the question.

25 Q. And that includes the Turnbull Law Group and all

1 of the associated Turnbull firms; correct?

2 A. On the advice of my counsel, I invoke the fifth
3 amendment privilege and respectfully decline to answer
4 the question.

5 Q. At the time you filed your declarations in this
6 case and there were three of them March 4, March 21
7 and April 22, 2024, you understood, sir, that you had
8 a number of obligations to cooperate with the
9 receiver; correct?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. Indeed, at the time you filed your three
14 declarations in this case, you understood that as an
15 individual in active concert or participation with the
16 defendants in this case that you were restrained and
17 adjoined from transacting any business of any
18 receivership defendant; correct?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. And at the time you filed your three
23 declarations, you understood that as an individual in
24 active concert or participation with the defendants in
25 this case, you were restrained and enjoined from doing

1 any act or refraining from doing any act whatsoever to
2 interfere with the receivers taking custody, control,
3 possession or managing the assets of the receivership
4 defendants, in this case Fidelis; correct?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. And you knowingly violated the temporary
9 restraining order by continuing to violate or
10 continuing to operate Fidelis which was controlled by
11 Blust after you had knowledge of the TRO; correct?

12 A. On the advice of my counsel, I invoke the fifth
13 amendment privilege and respectfully decline to answer
14 the question.

15 Q. And you continued to knowingly violate the
16 preliminary injunction that replaced the TRO by
17 knowingly operating Fidelis; correct?

18 A. On the advice of my counsel, I invoke the fifth
19 amendment privilege and respectfully decline to answer
20 the question.

21 Q. And you knowingly violated the TRO and the PI by
22 interfering with the receiver's ability to take
23 custody, control and possession of assets and
24 documents of Fidelis by submitting false testimony to
25 this Court designed to give the appearance that

1 Fidelis was owned -- was not owned or controlled by
2 Blust; isn't that true?

3 A. On the advice of my counsel, I invoke the fifth
4 amendment privilege and respectfully decline to answer
5 the question.

6 Q. Mr. Blust, I want to talk for a minute about your
7 March 4 declaration to this court, the sworn testimony
8 you provided on that date.

9 MR. PERSONIUS: Your Honor, just to correct
10 the record, it's Mr. Christo.

11 MR. MCNAMARA: Oh, I'm sorry. Did I say Mr.
12 Blust?

13 MR. PERSONIUS: Yes.

14 MR. MCNAMARA: I'm sorry.

15 Q. Mr. Christo, I want to talk about the declaration
16 you provided to the Court on March 4, 2024. At
17 paragraph 4 you claim Fidelis is my company. I
18 created it. I funded it. My trust owns it and I over
19 see and direct the operations. Jason Blust has no
20 ownership interest of Fidelis. He does not receive
21 any money or other benefit from Fidelis and he's not
22 employed by Fidelis and he does not make decisions for
23 Fidelis. That's what you said in that declaration;
24 correct?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. And those claims were false; weren't they?

4 A. On the advice of my counsel, I invoke the fifth
5 amendment privilege and respectfully decline to answer
6 the question.

7 Q. You did not fund Fidelis's operation; did you?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. And we've also already gone through it, but in
12 this declaration, you also claim that you were hired
13 to vet software platform by Strategic for \$750,000;
14 correct?

15 A. On the advice of my counsel, I invoke the fifth
16 amendment privilege and respectfully decline to answer
17 the question.

18 Q. And you told this Court I've been handling these
19 sorts of large scale multi million consulting projects
20 throughout my career; didn't you?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. In your March 21, 2024, declaration, which is
25 Docket 233-1, in Paragraph 4, you state again "In my

1 March 4, 2024, declaration, I stated as clearly and
2 absolutely as possible that Jason Blust does not own
3 or control Fidelis." That's what you said to this
4 Court; correct?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. And that was a false statement to this Court;
9 wasn't it?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. At Paragraph 7 of that same declaration you state
14 Jason Blust is not a consultant for Fidelis and he
15 does not control it in any respect. He does not set
16 policy. He does not described strategy, he does not
17 make decisions. He does not direct operations. In
18 short, he has no role in the running of Fidelis's
19 business; isn't that what you said?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. And that was false; wasn't it?

24 A. On the advice of my counsel, I invoke the fifth
25 amendment privilege and respectfully decline to answer

1 the question.

2 Q. At Paragraph 10, sir, of that same declaration,
3 you say Lit Def never transferred any asset, right,
4 duty, obligation or liability to Fidelis. You said
5 that to this Court; didn't you?

6 A. On the advice of my counsel, I invoke the fifth
7 amendment privilege and respectfully decline to answer
8 the question.

9 Q. And that was false; wasn't it?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. And at Paragraph 19 of that same declaration, you
14 began as follows. From the moment I first heard the
15 receivers allegation, it has mystified me. Jason
16 Blust simply does not own or control Fidelis in any
17 way, and Fidelis is not and never was Lit Def's
18 successor alter ego. On behalf of myself and my
19 staff, I earnestly hope that this matter can be
20 promptly put to rest. Isn't that what you said?

21 A. On the advice of my counsel, I invoke the fifth
22 amendment privilege and respectfully decline to answer
23 the question.

24 Q. And that statement was false; wasn't it?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. In particular, Jason Blust controlled Fidelis;
4 didn't he?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. And Fidelis was indeed assessor to Lit Def;
9 wasn't it?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. Sir, I want to move to your third declaration
14 which was filed on April 22, 2024, in this matter
15 which is a Docket 320-1. Again, sir, for the third
16 time under oath to this Court, you state Fidelis is my
17 company. I founded it. I funded it. I run it and my
18 trust and the trust I created receives the profits
19 from it. Isn't that what you said?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 Q. And that was a false statement to this Court;
24 wasn't it?

25 A. On the advice of my counsel, I invoke the fifth

1 amendment privilege and respectfully decline to answer
2 the question.

3 Q. You filed three declarations in support of the
4 pleadings in this matter; right?

5 A. On the advice of my counsel, I invoke the fifth
6 amendment privilege and respectfully decline to answer
7 the question.

8 Q. And these three declarations supported a number
9 of pleadings that you filed related to Fidelis's
10 motion challenging the receiver's determination that
11 Fidelis is a receivership defendant and the related
12 OSC motion for contempt as to Jason Blust and Lit Def;
13 right?

14 A. On the advice of my counsel, I invoke the fifth
15 amendment privilege and respectfully decline to answer
16 the question.

17 Q. And you read these pleadings in the declarations
18 before you filed them with the Court; didn't you, sir?

19 A. On the advice of my counsel, I invoke the fifth
20 amendment privilege and respectfully decline to answer
21 the question.

22 Q. And your declaration, your sworn statements to
23 this Court and your pleadings contain numerous false
24 arguments, claims and factual statements; isn't that
25 true?

1 A. On the advice of my counsel, I invoke the fifth
2 amendment privilege and respectfully decline to answer
3 the question.

4 Q. And in fact, it's in one of your pleadings you
5 contended prior to our receipt of the Lit Def emails
6 that the receiver cannot identify a single thing that
7 Jason Blust has ever done to exercise control over
8 Fidelis. Isn't that what you said in your pleadings,
9 sir?

10 A. On the advice of my counsel, I invoke the fifth
11 amendment privilege and respectfully decline to answer
12 the question.

13 Q. And that same pleading, you claimed the evidence
14 uniformly establishes that you exercise complete
15 control over Fidelis. Isn't that what you said?

16 A. On the advice of my counsel, I invoke the fifth
17 amendment privilege and respectfully decline to answer
18 the question.

19 Q. And that same pleading, you claim that suspicion
20 hysteria surrounding Jason Blust has precipitated an
21 effort to seize your business based on run away
22 conjecture. Isn't that what you said?

23 A. On the advice of my counsel, I invoke the fifth
24 amendment privilege and respectfully decline to answer
25 the question.

1 Q. In that same pleading you claim the receiver has
2 fixated on commandeering your company because he
3 suspects that someone somehow some way Jason Blust is
4 pulling the strings and reaping profits, and that
5 Fidelis is a receivership defendant and all of this is
6 yielded is nothing but an appalling waste of time.
7 Isn't that what you said?

8 A. On the advice of my counsel, I invoke the fifth
9 amendment privilege and respectfully decline to answer
10 the question.

11 Q. I just saw you smiling, Mr. Christo. Is
12 something funny?

13 MR. HOOVER: Objection.

14 MR. MCNAMARA: No, I --

15 MR. HOOVER: Don't answer that.

16 MR. MCNAMARA: He's smiling.

17 THE COURT: Let's go onto the next question.

18 Q. And none of those claims that I just read to you
19 were true; were they?

20 A. On the advice of my counsel, I invoke the fifth
21 amendment privilege and respectfully decline to answer
22 the question.

23 MR. MCNAMARA: Thank you, sir.

24 THE COURT: Mr. Hoover, are you going to ask
25 anything?

1 MR. HOOVER: No questions Judge.

2 THE COURT: Mr. Personius.

3 MR. PEROSNIUS: Thank you. No, Your Honor.

4 THE COURT: You can step down.

5 MR. MCNAMARA: Your Honor, I think the only
6 one of the things that Mr. Smith reminded me is we
7 need to move the exhibits in, and I think all parties
8 agreed to do that.

9 MR. HOOVER: Can Mr. Christo be excused
10 Judge.

11 THE COURT: Sure.

12 MR. HOOVER: Thank you. No objection to the
13 receiver's exhibits that were marked.

14 MR. SANDERS: No objection.

15 THE COURT: Where are we on the -- well, is
16 there anymore witnesses from the plaintiff?

17 MR. SANDERS: Nothing further from the
18 plaintiffs, Judge.

19 THE COURT: Mr. McNamara?

20 MR. MCNAMARA: Nothing, Your Honor.

21 THE COURT: Mr. Personius?

22 MR. PERSONIUS: No. Thank you, Your Honor.

23 THE COURT: Mr. Hoover?

24 MR. HOOVER: No other than I will get a link
25 to our exhibits to the Court, the electronic.

1 THE COURT: Okay.

2 MR. HOOVER: They're admitted. We just have
3 to send them over.

4 THE COURT: What about the exhibits, Ms.
5 Rados, related to the preliminary injunction?

6 MS. RADOS: The first preliminary injunction
7 hearing?

8 THE COURT: Yes.

9 MS. RADOS: We can --

10 THE COURT: It's my understanding you wanted
11 those exhibits admitted?

12 MS. RADOS: We would ask that those not need
13 to be readmitted. I believe Mr. Hoover did not agree
14 with that. I'm willing to give you some reasons as to
15 why we think it would be appropriate to admit them.

16 THE COURT: It's still in dispute is what
17 you are telling me?

18 MS. RADOS: I believe it's still in dispute.

19 THE COURT: I'll hear from you.

20 MS. RADOS: First of all, they were admitted
21 upon asking at the first hearing, and I think you were
22 cognizant of the fact that at a preliminary injunction
23 stage there is a lower evidentiary standard. Even
24 hearsay can be admitted, and the Court is fully
25 capable of determining the weight to give even hearsay

1 evidence that goes more to the weight than the
2 preclusion issues.

3 You incorporated certain findings of fact
4 from that evidence into the decision in Docket Number
5 183. Plaintiffs I believe are arguing it's not fair
6 to them because they weren't present. That argument
7 doesn't really hold water for a couple of reasons.
8 First, their theory is so far as we understand it is
9 that Fidelis is a back room administrative support
10 service.

11 The scope of the first preliminary
12 injunction hearing was clearly limited to the notary
13 process and whether the face-to-face exemption
14 applied. If Fidelis is indeed far removed from that
15 process, then there can be no prejudice to them by
16 having those exhibits submitted, but under our theory,
17 we think that that evidence is important because our
18 theory is that Fidelis is controlled by Blust.
19 Therefore is going to be with Blust. Blust was
20 present, fully able to defend himself and raise any
21 objections at that first preliminary injunction
22 hearing, so we don't see any prejudice to Fidelis to
23 any of those exhibits and we see it prejudicial to us
24 not to admit them. Thank you.

25 THE COURT: Mr. Hoover?

1 MR. HOOVER: Yes, Judge. Plaintiffs reached
2 out to us Wednesday night at 9 and gave us all of
3 those exhibits and said we'd like to admit them, and
4 all the arguments I made yesterday hold. Fidelis,
5 first of all, this preliminary injunction motion is
6 not about Blust. Right? So the fact that Blust was
7 there is irrelevant. Fidelis and the relief
8 defendants were not parties at that time. They didn't
9 have a chance to participate, and honestly, if any of
10 that was important, and those documents as far as I
11 look on a quick scan are ripe with different levels of
12 hearsay, but that was a different hearing, different
13 issues, different parties, and if the plaintiffs
14 wanted to admit them, they should have put them on
15 their exhibit list at least a week out that the Court
16 set. My suggestion, Judge, unless you feel compelled
17 to rule on it right now that parties can brief whether
18 those should be admitted.

19 THE COURT: Ms. Rados?

20 MS. RADOS: I think the question of whether
21 this is about Blust, I think we're alleging an
22 interconnected scheme where everything is in issue
23 with this current preliminary junction. Blust is a
24 fundamental part of our case, and he was fully able to
25 defend himself at that hearing. I just note that

1 Fidelis did actually use one of our preliminary
2 injunction Exhibits, 67, in their evidence, so they
3 had a chance to look through it. You know, that's it.
4 Thank you.

5 MR. HOOVER: May I respond briefly, Judge?

6 THE COURT: Sure.

7 MR. HOOVER: Yes. I had a chance to scan
8 them between Wednesday night and now, and we did use
9 one exhibit related to a witness who testified. You
10 can actually search in Acrobat names. That's what I
11 did. We looked at it. It was admitted. I understood
12 I looked at the transcript of that hearing and I had a
13 client testify first at the hearing that it was about
14 the face-to-face exemption, and I did a word search on
15 the transcript of the hearing and Fidelis wasn't
16 mentioned at all. Litigation support services on
17 lawsuits weren't mentioned at all. I just don't see
18 the relevant for a mass admission. We like
19 streamlining too. That's why we agreed to the
20 exhibits that were marked for this, but it seems a
21 little too far, Judge.

22 THE COURT: All right. I don't think I can
23 hold off ruling on it because you guys are going to
24 have to brief this issue, and they're going to refer
25 to the exhibits. So I will overrule your objection.

1 They'll file it and you can put in your papers that
2 they referred to this exhibit and you shouldn't
3 consider that for whatever reason. Okay?

4 MR. HOOVER: Can we just -- may I, Judge?

5 THE COURT: Yes.

6 MR. HOOVER: Can we just reserve our right
7 to offer once those are in anything additional in
8 writing to -- or submission based on those? It's 68
9 exhibits or 67 exhibits.

10 THE COURT: No because we're done. This is
11 the close of the hearing. All right? So we'll put a
12 briefing schedule in place. I guess we're on two
13 different brief schedules or two different issues.
14 Right? There's the preliminary injunction by the
15 plaintiffs, and then there's the contempt motion by
16 Mr. McNamara. Mr. Hoover, I assume you'll respond to
17 the preliminary injunction motion. Mr. Personius will
18 respond to the contempt.

19 MR. Personius: Yes, Your Honor.

20 MR. HOOVER: Yes.

21 THE COURT: Okay. I'll give you -- we'll do
22 simultaneous briefing. I'll give two weeks for the
23 initial briefs.

24 THE CLERK: That would take us to February
25 7.

1 THE COURT: We'll do one week to reply.

2 THE CLERK: February 14.

3 THE COURT: And we'll set a date for oral
4 argument for the next one.

5 THE CLERK: February 25, it's a Tuesday at
6 10:30.

7 MR. CONNORS: What was the first date, the
8 initial date for the first date?

9 THE CLERK: February 7.

10 MR. CONNORS: 7.

11 THE CLERK: Yes.

12 MR. PERSONIUS: I know you always accuse me
13 of having the last word so hopefully this isn't the
14 last word. The jurisdictional issue that we raised
15 should in their submissions on February 7, Judge, if
16 they choose to, probably mostly the receivers, should
17 that jurisdictional issue be addressed by them --

18 THE COURT: Sure.

19 MR. PERSONIUS: -- in their original
20 submission?

21 THE COURT: Sure. Mr. McNamara, do you
22 understand that?

23 MS. MCNAMARA: I think so, and I will talk
24 to Mr. Personius after if I don't.

25 MR. HOOVER: Could I make one request,

1 Judge? Without changing the date, could the initials
2 be due February 10 and the replies February 17,
3 please?

4 THE COURT: You started not switching the
5 dates and then you ask me to switch the date.

6 MR. HOOVER: I'm sorry.

7 THE COURT: Can you go back to those dates?

8 MR. HOOVER: I meant the argument date
9 without switching the argument date. Just three
10 additional days for each for everyone.

11 THE COURT: Any objection?

12 MR. SANDERS: No objection, Judge.

13 THE COURT: February 10 and February 17.

14 MR. HOOVER: Thank you, Judge.

15 THE COURT: Okay. Anything else?

16 MR. SANDERS: Just want the record to know
17 Mr. Hoover raised the last, not me.

18 THE COURT: Mr. Hoover had one more thing.
19 All right. Everybody have a safe trip back, and of
20 course, the last word of the day is Go Bills.

21 MR. SANDERS: Go Bills.

22 (Proceeding concluded at 10:58 A.M.)

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CERTIFICATE OF COURT REPORTER

I certify that this is a true and accurate
record of proceedings in the United States Magistrate
Court for the Western District of New York before the
Honorable Michael J. Roemer on January 24, 2025.

S/ Brandi A. Wilkins

Brandi A. Wilkins

Official Court Reporter